

INCOMING TELEGRAM

Department of State

PERMANENT RECORD COPY

40-48

Action

SO
Info

FROM: PARIS

SS

TO: Secretary of State

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NO: 583, AUGUST 2, 1 AM

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PRIORITY

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ACTION DEPARTMENT 583, INFORMATION LONDON 122, MOSCOW 31,
BONN 57, BERLIN 34.

FROM KOHLER

PASS DEFENSE AND TREASURY

UNDER SECRETARY FOWLER HAS PARTICIPATED IN SERIES THREE MEETINGS SUB-GROUP OF FOUR-POWER WORKING GROUP ON ECONOMIC COUNTERMEASURES. WORKING PAPERS SHOULD BE CONSIDERED IN PLENARY GROUP AUGUST 2. ALL SUB-GROUP DELEGATIONS ACCEPT CONSIDERATIONS US JULY 21 MEMO AND PARTICULARLY EMPHASIS ON NECESSITY CORRELATION AND INTEGRATION ECON MEASURES WITH MILITARY, POLITICAL AND PSYCHOLOGICAL MEASURES.

1) IN GENERAL, [] WE CONVINCED FOREIGN MINISTERS SHOULD TAKE FINAL DECISION NOW TO IMPOSE TOTAL EMBARGO ON SOVIET BLOC IN EVENT SUBSTANTIAL BLOCKAGE ACCESS TO BERLIN AND SHOULD RECOMMEND NATO COUNTRIES BE PRESSED AGREE TO SUCH STEP. [] FOR TACTICAL CONSIDERATIONS WITH NATO COUNTRIES THEY BELIEVE THAT MINISTERS SHOULD MERELY INDICATE THEY CONSIDER SUCH ACTION APPROPRIATE, EXPRESSING HOPE NATO COUNTRIES WILL ASSOCIATE SELVES WITH SUCH STEP AND UNDERTAKING TO OBTAIN EARLY AGREEMENT OF NATO TO THIS PROGRAM.

2) GERMANS HAVE EAGERLY ADVANCED THESIS PATTERN INTER-TRADE WITH FEDREP. CHANGING AS EAST GERMANY SEEKS BECOME LESS

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ACTION ASSIGNED TO	NAME OF OFFICER	OFFICE SYMBOL	ACTION TAKEN	DATE OF ACTION	DIRECTIONS TO RM/R
	Fishman	10/11/61		Aug	none required (medium 0 bar)

EXCISE

Control: 1028
Rec'd:

AUGUST 1, 1961
9:26 PM

DEPARTMENT OF STATE A/CDC/MB

REVIEWED by

HEM

DATE

12/21/90

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-2- 583, AUGUST 2, 1 AM

FROM PARIS

LESS DEPENDENT ON FEDREP. THUS NATO-WIDE COUNTERMEASURES
EVEN MORE ESSENTIAL THAN EVER TO BE EFFECTIVE.

3) THERE IS OPPOSITION TO APPLYING MEASURES TO SINO-
SOVIET BLOC. IT OPPOSED INCLUSION RED
CHINA ON GROUNDS IT POLITICALLY UNDESIRABLE AND WOULD
ONLY STRENGTHEN CHINESE-SOVIET TIES. ON OTHER HAND,
THERE AGREEMENT IT MIGHT BE WISE APPLY COUNTERMEASURES TO
SOVIET UNION AND EAST GERMANY ONLY DURING PERIOD BETWEEN
ANNOUNCEMENT SOVIET SEPARATE PEACE TREATY CONFERENCE AND
ACTUAL SIGNATURE THUS TO SOME EXTENT PLAYING ON BLOC
SUSCEPTIBILITIES AND CREATING SOME TENSIONS WITHIN BLOC
FOR CERTAIN PERIOD.

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4) THERE IS CONSIDERABLE DOUBT EXPRESSED, []
THAT WE COULD PERSUADE NEUTRALS SUCH AS SWEDEN,
AUSTRIA, SWITZERLAND, OR JAPAN NOT TO SUBSTITUTE THEIR PRODUCTS
FOR THOSE NORMALLY IMPORTED FROM NATO COUNTRIES IF EMBARGO
IMPOSED. NEVERTHELESS, ALL APPEAR WILLING EXPLORE POSSIBILITY
OF INFLUENCING THEM TO SUPPORT EMBARGO IF THIS STAGE REACHED.

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5) GERMANS HOLD STRONGLY TO POSITION THAT INTER-ZONAL TRADE
AGREEMENT PROVIDES TRADE WILL CONTINUE UNLESS THERE SUBSTANTIAL
INTERFERENCES WITH CIVIL ACCESS TO BERLIN IN BOTH GOODS AND PERSONS
AND WITHIN BERLIN. THUS WOULD BE HESITANT APPLY TOTAL
EMBARGO IN EVENT ONLY ALLIED ACCESS BLOCKED AS THEY MIGHT
THEN STAND ACCUSED OF HAVING INVITED EAST GERMANS COUNTER-
REACTION AND TAKEN STEPS INITIATE FULL BLOCKADE BERLIN.
THIS ISSUE WILL BE CONSIDERED IN PLENARY AND IS FUNDAMENTAL
TO POLITICAL AND PSYCHOLOGICAL ASPECTS ACCESS ISSUES.

6) [] BELIEVE CERTAIN MEASURES SHOULD BE
APPLIED AT EARLY STAGE (ANNOUNCEMENT, CONVOCATION SEPARATE

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-3- 583, AUGUST 2, 1 AM

FROM PARIS

PEACE CONFERENCE) AND WE HAVE PRELIMINARILY AGREED TO LIST ILLUSTRATIVE MEASURES WHICH COULD BE TAKEN NOW BY MOST NATO COUNTRIES IF NECESSARY.

7) SUB-GROUP AGREED STRONGER INTERMEDIATE MEASURES (REQUIRING LEGISLATIVE OR ADMINISTRATIVE ACTION IN CASE MANY NATO COUNTRIES) MIGHT BE FURTHER CONSIDERED IN QUADRIPARTITE GROUP IN WHICH EFFORT SHOULD BE MADE WED BONN COUNTERMEASURES STUDY AND "NON-MILITARY COUNTERMEASURES" STUDY OF WASHINGTON TRIPARTITE AMBASSADORIAL GROUP.

FULLER REPORT WILL FOLLOW TOMORROW'S MEETING, BUT PRESENT INDICATIONS ARE THAT LARGE MEASURE AGREEMENT ON ECONOMIC COUNTERMEASURES WILL BE REACHED WITH CLEAR INDICATION SUBSEQUENT STEPS NECESSARY TO OBTAIN COMMITMENTS TO NATO WIDE PROGRAM OF COUNTERMEASURES WILL BE UNDERTAKEN.

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